

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

10/1/20 2:28 pm  
CLERK  
U.S. BANKRUPTCY  
COURT - WDPA

|                            |   |           |              |
|----------------------------|---|-----------|--------------|
| In re:                     | : | Case No.: | 19-21213-GLT |
|                            | : | Chapter:  | 13           |
| Robert Lee Lookabaugh, Jr. | : |           |              |
| Candace Lynn Lookabaugh    | : |           |              |
|                            | : | Date:     | 9/30/2020    |
| <i>Debtor(s).</i>          | : | Time:     | 11:00        |

**PROCEEDING MEMO**

**MATTER:** #48 - Debtors' Motion for Hardship Discharge  
#51 - Response by Trustee

**APPEARANCES:**

Debtor: Dai Rosenblum  
Trustee: Ronda J. Winnecour

**NOTES:** (11:31)

Rosenblum: We filed a motion for a hardship discharge and we made a factual error. Debtor husband is on social security. We averred the debtor wife was laid off, but her position was permanently eliminated. Because of her age, she doesn't believe she'll be able to find another equivalent position, so she retired. Now all they have is social security for each of them.

Court: What is her age?

Rosenblum: I don't know her particular age, but she must be over 62.

Court: How is a plan modification not practicable?

Rosenblum: At their current level of income, and considering their \$1,000/month mortgage, there's just insufficient income. They're minus \$2,600 a month.

Court: Even an extended plan term can't address it?

Rosenblum: They've gone from over median to under median income.

Court: What steps has the debtor wife taken to find additional income?

Winnecour: She's not eligible for a hardship discharge without a much greater showing. Their plan payment would be doable even for folks on social security. A reduction in distribution could make a plan feasible.

Rosenblum: I don't believe any crunching of numbers will make a plan feasible. I will share with the Court her email - I was not laid off, I have no position to return to and I was forced to retire. No one will hire me again at that rate because of my age.

Court: Here's the issue - hardship discharges are the exception, not the norm. The Debtor bears the burden of proof as to each element, and the caselaw instructs that unsubstantiated and conclusory statements are insufficient. Without knowing what efforts were made to secure other employment, additional income may be possible and suggests that there could be a plan going forward. There is a significant amount of time left (43 months) which may also indicate some sort of plan modification is practicable. There's not enough here at this point to convince me the threshold has been met.

Rosenblum: I have questions about whether we're required to extend those two years and whether a distribution of 0% is reasonable.

**OUTCOME:**

1. Debtors' *Motion for Hardship Discharge* [Dkt. No. 48] is DENIED without prejudice [Proposed order at Dkt. No. 51 to enter]

**DATED:** 9/30/2020